

AMENDED IN SENATE MAY 6, 2013
AMENDED IN SENATE APRIL 23, 2013
AMENDED IN SENATE APRIL 17, 2013
AMENDED IN SENATE FEBRUARY 25, 2013

SENATE BILL

No. 2

Introduced by Senators Lieu and Yee

December 3, 2012

An act to amend Sections 84101,~~84102~~, 84103, 84107, 84200, 84200.6, 84202.3, 84215, 84218, 84252, 84305.5,~~84503~~,~~84504~~,~~84506~~,~~84506.5~~, 84508,~~84509~~, 84510, 85701, 85704, 90002, 90003, and 91013 of, to add Sections 84200.1, 84202.8, 84202.9, and 84503.5 to, to repeal Sections 84200.7, 84200.8, 84202.5, and 84202.7 of, and to repeal and add Section 84200.5 of, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 2, as amended, Lieu. Political Reform Act of 1974.

(1) Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing other reporting and recordkeeping requirements on campaign committees. Existing law makes a knowing or willful violation of the act a misdemeanor and subjects offenders to criminal penalties. The act requires elected officers, candidates, committees, and slate mailer organizations to file semiannual reports, preelection statements, and supplemental preelection statements.

This bill would repeal these reporting requirements. This bill would establish quarterly statements, monthly statements, preelection

statements, postelection statements, and year-end statements for filing, as specified.

This bill would increase the fines for improperly reporting laundered or earmarked contributions to include a fine to be deposited into the Political Disclosure, Accountability, Transparency, and Access Fund, as specified. The bill would also increase the fines and penalties imposed on campaign statements and reports that are filed late.

(2) The act also regulates advertisements, which are defined as any general or public advertisement that is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures. The act places certain disclosure requirements on advertisements ~~for or against any ballot measure, including that the advertisement disclose up to 2 persons who have made cumulative contributions of \$50,000 or more, as prescribed. The act places more specific disclosure requirements on broadcast or mass mailing advertisements that are paid for by independent expenditures that support or oppose a candidate or ballot measure.~~ In addition to other penalties imposed by the act, a fine of up to triple the amount of the cost of an advertisement can be imposed on a person who violates the disclosure requirements for advertisements.

This bill would require that television, video, or audio broadcast advertisements supporting or opposing a candidate or soliciting contributions in support of that purpose that are authorized by a candidate include a specified disclosure statement made by the candidate.

~~The bill would increase to 4 the number of major donors of \$50,000 or more who must be disclosed in an advertisement by a committee for or against a ballot measure. The bill would require the name of a committee that supports or opposes a ballot measure to include the names of up to 4 major donors who have made cumulative contributions of \$50,000 or more. The bill would specify the amount of time in which a committee must update advertisement disclosures to reflect a change in the committee name that results from a change in the identity of the major donors who must be disclosed in an advertisement.~~

The bill would increase the maximum penalty for a violation of these provisions to 6 times the amount of the costs of the advertisement.

(3) The act regulates mass mailings, known as slate mailers, that support or oppose multiple candidates or ballot measures for an election. The act requires that each slate mailer identify the slate mailer organization or committee primarily formed to support or oppose one

or more ballot measures that is sending the slate mailer, and to contain other specified information in specified formatting. The act requires that each candidate and each ballot measure that has paid to appear in the slate mailer be designated by an asterisk.

This bill would additionally require that a candidate or ballot measure appearing in the slate mailer as a result of a payment made by a 3rd party be designated by an “@,” and would require the notice to voters included on a slate mailer be revised to describe this new requirement. The bill would require that a slate mailer that is produced in a language other than English provide the notice to voters in that same language. The bill would require that a slate mailer provide the notice in both English and another language if a substantial portion of a slate mailer is produced in the other language.

(4) The act requires a ballot measure committee, within 30 days of designating the numerical order of propositions appearing on the ballot, to identify itself as committee for or against that numbered proposition in all required references.

This bill would reduce the amount of time in which a ballot measure committee must reference itself as a committee for or against a numbered proposition to within 10 days of designating the numerical order of propositions.

(5) The act is administered and enforced by the Fair Political Practices Commission. The act authorizes the Commission to perform discretionary investigations and audits with respect to campaign and lobbying reports and statements that are filed with the Secretary of State. The act also authorizes any person residing in the jurisdiction to sue for injunctive relief to prevent violations or compel compliance with the act.

This bill would specify that the Commission may perform audits prior to the date of the election and prior to the date that a statement or report is required to be filed. The bill would authorize a person to challenge an audit by the Commission or any order resulting from an audit by seeking a writ of mandate, which would take priority over all other civil matters. The bill would specify that the Commission is authorized to seek an injunction to prevent a violation of or compel compliance with the act.

(6) The act makes a knowing or willful violation of its provisions a misdemeanor and subjects offenders to criminal penalties.

By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(7) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 84101 of the Government Code is
2 amended to read:

3 84101. (a) A committee that is a committee by virtue of
4 subdivision (a) of Section 82013 shall file a statement of
5 organization. The committee shall file the original of the statement
6 of organization with the Secretary of State and shall also file a
7 copy of the statement of organization with the local filing officer,
8 if any, with whom the committee is required to file the originals
9 of its campaign reports pursuant to Section 84215. The original
10 and copy of the statement of organization shall be filed within 10
11 days after the committee has qualified as a committee. The
12 Secretary of State shall assign a number to each committee that
13 files a statement of organization and shall notify the committee of
14 the number. The Secretary of State shall send a copy of statements
15 filed pursuant to this section to the county elections official of each
16 county that he or she deems appropriate. A county elections official
17 who receives a copy of a statement of organization from the
18 Secretary of State pursuant to this section shall send a copy of the
19 statement to the clerk of each city in the county that he or she
20 deems appropriate.

21 (b) In addition to filing the statement of organization as required
22 by subdivision (a), if a committee qualifies as a committee under
23 subdivision (a) of Section 82013 before the date of an election in
24 connection with which the committee is required to file preelection
25 statements, but after the closing date of the last campaign statement

1 required to be filed before the election pursuant to Section 84200.5
2 or 84200.9, the committee shall file, by facsimile transmission,
3 guaranteed overnight delivery, or personal delivery within 24 hours
4 of qualifying as a committee, the information required to be
5 reported in the statement of organization. The information required
6 by this subdivision shall be filed with the filing officer with whom
7 the committee is required to file the originals of its campaign
8 reports pursuant to Section 84215.

9 (c) If an independent expenditure committee qualifies as a
10 committee pursuant to subdivision (a) of Section 82013 during the
11 time period described in Section 82036.5 and makes independent
12 expenditures of one thousand dollars (\$1,000) or more to support
13 or oppose a candidate or candidates for office, the committee shall
14 file, by facsimile transmission, online transmission, guaranteed
15 overnight delivery, or personal delivery within 24 hours of
16 qualifying as a committee, the information required to be reported
17 in the statement of organization. The information required by this
18 section shall be filed with the filing officer with whom the
19 committee is required to file the original of its campaign reports
20 pursuant to Section 84215, and shall be filed at all locations
21 required for the candidate or candidates supported or opposed by
22 the independent expenditures. The filings required by this section
23 are in addition to filings that may be required by Sections 84203.5
24 and 84204.

25 (d) For purposes of this section, in calculating whether one
26 thousand dollars (\$1,000) in contributions has been received,
27 payments for a filing fee or for a statement of qualifications to
28 appear in a sample ballot shall not be included if these payments
29 have been made from the candidate's personal funds.

30 ~~SEC. 2. Section 84102 of the Government Code is amended~~
31 ~~to read:~~

32 ~~84102. The statement of organization required by Section~~
33 ~~84101 shall include all of the following:~~

34 ~~(a) The name, street address, and telephone number, if any, of~~
35 ~~the committee. In the case of a sponsored committee, the name of~~
36 ~~the committee shall include the name of each sponsor. Whenever~~
37 ~~a committee has more than one sponsor, and the sponsors are~~
38 ~~members of an industry or other identifiable group, a term~~
39 ~~identifying that industry or group shall also be included in the~~
40 ~~name of the committee.~~

~~(b) In the case of a sponsored committee, the name, street address, and telephone number of each sponsor.~~

~~(c) The full name, street address, and telephone number, if any, of the treasurer and any other principal officers. A committee with more than one principal officer shall identify its principal officers as follows:~~

~~(1) A committee with three or fewer principal officers shall identify all principal officers.~~

~~(2) A committee with more than three principal officers shall identify no fewer than three principal officers.~~

~~If no individual other than the treasurer is a principal officer, the treasurer shall be identified as both the treasurer and the principal officer.~~

~~(d) The full name and office sought by any candidate, and the title and ballot number, if any, of any measure, that the committee supports or opposes as its primary activity. A committee that does not support or oppose one or more candidates or ballot measures as its primary activity shall provide a brief description of its political activities, including whether it supports or opposes candidates or measures and whether such candidates or measures have common characteristics, such as a political party affiliation.~~

~~(e) A statement whether the committee is independent or controlled and, if it is controlled, the name of each candidate or state measure proponent by which it is controlled, or the name of any controlled committee with which it acts jointly. If a committee is controlled by a candidate for partisan office, the controlled committee shall indicate the political party, if any, with which the candidate is affiliated.~~

~~(f) For a committee that is a committee by virtue of subdivision (a) or (b) of Section 82013, the name and address of the financial institution where the committee has established an account and the account number.~~

~~(g) Such other information as shall be required by the rules or regulations of the Commission consistent with the purposes and provisions of this chapter.~~

~~SEC. 3.~~

~~SEC. 2. Section 84103 of the Government Code is amended to read:~~

~~84103. (a) Whenever there is a change in any of the information contained in a statement of organization, an~~

1 amendment shall be filed within 10 days to reflect the change. The
2 committee shall file the original of the amendment with the
3 Secretary of State and shall also file a copy of the amendment with
4 the local filing officer, if any, with whom the committee is required
5 to file the originals of its campaign reports pursuant to Section
6 84215.

7 (b) In addition to filing an amendment to a statement of
8 organization as required by subdivision (a), a committee as defined
9 in subdivision (a) of Section 82013 shall, by facsimile transmission,
10 online transmission, guaranteed overnight delivery, or personal
11 delivery within 24 hours, notify the filing officer with whom it is
12 required to file the originals of its campaign reports pursuant to
13 Section 84215 when the change requiring the amendment occurs
14 before the date of the election in connection with which the
15 committee is required to file a preelection statement, but after the
16 closing date of the last preelection statement required to be filed
17 for the election pursuant to Section 84200.5, if any of the following
18 information is changed:

- 19 (1) The name of the committee.
20 (2) The name of the treasurer or other principal officers.
21 (3) The name of any candidate or committee by which the
22 committee is controlled or with which it acts jointly.

23 The notification shall include the changed information, the date
24 of the change, the name of the person providing the notification,
25 and the committee's name and identification number.

26 A committee may file a notification online only if the appropriate
27 filing officer is capable of receiving the notification in that manner.

28 ~~SEC. 4.~~

29 *SEC. 3.* Section 84107 of the Government Code is amended
30 to read:

31 84107. Within 10 days of the designation of the numerical
32 order of propositions appearing on the ballot, any committee which
33 is primarily formed to support or oppose a ballot measure, shall,
34 if supporting the measure, include the statement, "a committee for
35 Proposition _____," or, if opposing the measure, include the
36 statement, "a committee against Proposition _____," in any reference
37 to the committee required by law.

38 ~~SEC. 5.~~

39 *SEC. 4.* Section 84200 of the Government Code is amended
40 to read:

1 84200. (a) Except as otherwise provided in this section and
2 Section 84200.1, elected officers, candidates, committees, and
3 slate mailer organizations shall file quarterly statements each year,
4 as follows:

- 5 (1) No later than April 15 for the period ending March 31.
6 (2) No later than July 15 for the period ending June 30.
7 (3) No later than October 15 for the period ending September
8 30.
9 (4) No later than January 15 for the period ending December
10 31.

11 (b) A candidate who, during the past three months has filed a
12 declaration pursuant to Section 84206 shall not be required to file
13 a quarterly statement for that three-month period.

14 (c) Elected officers whose salaries are less than two hundred
15 dollars (\$200) a month, judges, judicial candidates, and their
16 controlled committees shall not file quarterly statements pursuant
17 to this subdivision for any three-month period in which they have
18 not made or received any contributions or made any expenditures.

19 (d) A judge who is not listed on the ballot for reelection to, or
20 recall from, any elective office during a calendar year shall not
21 file quarterly statements pursuant to this subdivision for any
22 three-month period in that year if both of the following apply:

- 23 (1) The judge has not received any contributions.
24 (2) The only expenditures made by the judge during the calendar
25 year are contributions from the judge's personal funds to other
26 candidates or committees totaling less than one thousand dollars
27 (\$1,000).

28 (e) A candidate, committee, or slate mailer organization that is
29 subject to the requirements of Section 84200.1 to file monthly
30 statements during an even-numbered year shall not be required to
31 file quarterly statements during an even-numbered year.

32 ~~SEC. 6:~~

33 *SEC. 5.* Section 84200.1 is added to the Government Code, to
34 read:

35 84200.1. (a) (1) Except as provided in paragraph (2), during
36 each even-numbered year, the following entities shall file a monthly
37 statement no later than the 20th day after the conclusion of each
38 calendar month for the period covering that calendar month:

- 39 (A) A ballot measure committee.
40 (B) A slate mailer organization.

1 (C) A committee not controlled by a candidate, if the candidate
2 for whom the committee is primarily formed to support or oppose
3 will appear on the ballot for the primary or general election held
4 in that even-numbered year.

5 (D) A candidate for statewide elective office and the candidate's
6 controlled committees, if the candidate for statewide elective office
7 will appear on the ballot for the primary or general election held
8 in that even-numbered year.

9 (2) An entity identified in paragraph (1) shall not be required
10 to file a monthly statement for the period covering any month that
11 is reported, in its entirety, in a postelection statement required
12 pursuant to Section 84202.8.

13 (b) During each odd-numbered year in which an election occurs,
14 the following entities shall file a monthly statement for the period
15 covering each month in which the entity has spent one thousand
16 dollars (\$1,000) or more to support or oppose a candidate or ballot
17 measure in that election:

18 (1) A ballot measure committee primarily formed to support or
19 oppose a ballot measure appearing on the ballot for the election.

20 (2) A slate mailer organization that produces a slate mailer
21 supporting or opposing candidates or ballot measures appearing
22 on the ballot for the election.

23 (3) A committee not controlled by a candidate, if the candidate
24 for whom the committee is primarily formed to support or oppose
25 will appear on the ballot for the election.

26 (4) A candidate for statewide elective office and the candidate's
27 controlled committees, if the candidate for statewide elective office
28 will appear on the ballot for the election.

29 (c) (1) An elected official, candidate, committee, or slate mailer
30 organization may elect to file monthly statements in the manner
31 required by this section in lieu of filing quarterly statements
32 required by Section 84200. Candidates and committees for state
33 elective offices and state ballot measures that elect to file monthly
34 statements shall file a statement in writing to that effect with the
35 Commission and the Secretary of State. Candidates and committees
36 for local elective offices and local ballot measures that elect to file
37 monthly statements shall file a statement in writing to that effect
38 with the local filing officer.

39 (2) An entity that elects to file monthly statements in lieu of
40 quarterly statements shall file the monthly statement commencing

1 with the month in which the notification is filed, continuing each
2 month thereafter, and ending in December following the next
3 regularly scheduled statewide general election.

4 ~~SEC. 7.~~

5 *SEC. 6.* Section 84200.5 of the Government Code is repealed.

6 ~~SEC. 8.~~

7 *SEC. 7.* Section 84200.5 is added to the Government Code, to
8 read:

9 84200.5. In addition to the campaign statements required by
10 Sections 84200 and 84200.1, elected officers, candidates, and
11 committees shall file preelection statements as follows:

12 (a) Each of the following shall file a preelection statement no
13 later than 12 days before an election for the period ending 17 days
14 before the election:

15 (1) All candidates for elective office being voted upon at an
16 election, their controlled committees, and committees primarily
17 formed to support or oppose a candidate or a measure being voted
18 upon at the election.

19 (2) All elected state officers who, during the period covered by
20 the preelection statement, make a contribution to any committee.

21 (3) All candidates for an office that is not being voted upon at
22 the election, their controlled committees, and any committee
23 primarily formed to support or oppose those candidates, if, during
24 the reporting period covered by the preelection statement, the
25 candidate or committee makes an independent expenditure or
26 makes a contribution to a committee.

27 (4) A state or county general purpose committee formed
28 pursuant to subdivision (a) or (b) of Section 82013, other than a
29 political party committee as defined in Section 85205, if it makes
30 contributions or independent expenditures totaling five hundred
31 dollars (\$500) or more during the period covered by the preelection
32 statement. A state or county general purpose committee formed
33 pursuant to subdivision (c) of Section 82013 is not required to file
34 a preelection statement.

35 (5) A political party committee as defined in Section 85205, if
36 the committee receives contributions totaling one thousand dollars
37 (\$1,000) or more, or if it makes contributions or independent
38 expenditures totaling five hundred dollars (\$500) or more, during
39 the period covered by the preelection statement.

1 (6) A city general purpose committee, if it makes contributions
2 or independent expenditures totaling five hundred dollars (\$500)
3 or more in connection with a city election during the period covered
4 by the preelection statement.

5 (b) During the election period for the Board of Administration
6 of the Public Employees' Retirement System or the Teachers'
7 Retirement Board, all candidates for election to these boards, their
8 controlled committees, and committees primarily formed to support
9 or oppose the candidates, shall file a preelection statement as
10 specified in Section 84200.9.

11 (c) Each preelection statement filed pursuant to subdivision (a)
12 shall be filed by guaranteed overnight delivery service, personal
13 delivery, or online or electronic transmission with each office with
14 which the candidate or committee is required to file its next
15 campaign statement pursuant to Section 84215.

16 ~~SEC. 9.~~

17 *SEC. 8.* Section 84200.6 of the Government Code is amended
18 to read:

19 84200.6. In addition to the campaign statements required by
20 Sections 84200, 84200.1, and 84200.5, all candidates and
21 committees shall file the following special statements and reports:

22 (a) Postelection campaign statements when required by Section
23 84202.8.

24 (b) Yearend campaign statements when required by Section
25 84202.9.

26 (c) Late contribution reports when required by Section 84203.

27 (d) Independent expenditure reports when required by Section
28 84203.5.

29 (e) Late independent expenditure reports when required by
30 Section 84204.

31 ~~SEC. 10.~~

32 *SEC. 9.* Section 84200.7 of the Government Code is repealed.

33 ~~SEC. 11.~~

34 *SEC. 10.* Section 84200.8 of the Government Code is repealed.

35 ~~SEC. 12.~~

36 *SEC. 11.* Section 84202.3 of the Government Code is amended
37 to read:

38 84202.3. (a) In addition to the campaign statements required
39 by Section 84200.1, committees pursuant to subdivision (a) of
40 Section 82013 that are primarily formed to support or oppose the

1 qualification, passage, or defeat of a measure and proponents of a
2 state ballot measure who control a committee formed or existing
3 primarily to support the qualification, passage, or defeat of a state
4 ballot measure, shall file campaign statements on the following
5 dates:

6 (1) No later than April 30 for the period January 1 through
7 March 31.

8 (2) No later than October 31 for the period July 1 through
9 September 30.

10 (b) This section shall not apply to a committee during any period
11 in which the committee is required to file preelection statements
12 pursuant to Section 84200.5.

13 (c) This section shall not apply to a committee following the
14 election at which the measure is voted upon unless the committee
15 makes contributions or expenditures to support or oppose the
16 qualification or passage of another ballot measure.

17 ~~SEC. 13.~~

18 *SEC. 12.* Section 84202.5 of the Government Code is repealed.

19 ~~SEC. 14.~~

20 *SEC. 13.* Section 84202.7 of the Government Code is repealed.

21 ~~SEC. 15.~~

22 *SEC. 14.* Section 84202.8 is added to the Government Code,
23 to read:

24 84202.8. In addition to the campaign statements required by
25 Sections 84200, 84200.1, and 84200.5, elected officers, candidates,
26 and committees shall file a postelection campaign statement no
27 later than the 30th day following an election in which the officer
28 or candidate sought election or in which the officer, candidate, or
29 committee supported or opposed a candidate or ballot measure.
30 The postelection campaign statement shall cover the time period
31 starting the day after the closing date of the last campaign statement
32 required to be filed prior to the election and ending on the 20th
33 day after that election.

34 ~~SEC. 16.~~

35 *SEC. 15.* Section 84202.9 is added to the Government Code,
36 to read:

37 84202.9. (a) During an even-numbered year, all candidates
38 for elective office to be voted upon in the statewide primary
39 election or statewide general election, their controlled committees,
40 committees formed primarily to support or oppose an elected state

1 officer or candidate for state elective office being voted upon at
2 the election, all committees formed primarily to support or oppose
3 a ballot measure to be voted upon at the statewide primary election
4 or statewide general election, and slate mailer organizations shall
5 file a yearend campaign statement. The yearend statement shall
6 be filed by January 31 of the year following the year of the election
7 and shall cover the time period starting on the 21st day following
8 the election and ending December 31 of the year in which the
9 election occurred.

10 (b) A candidate whose name appeared on a statewide primary
11 election ballot and that candidate's controlled committees shall
12 not be required to file a yearend statement if that candidate does
13 not receive sufficient votes to advance to the statewide general
14 election, unless the candidate or the candidate's controlled
15 committees expend funds to support or oppose another candidate
16 or a ballot measure that will be voted on at the statewide general
17 election. Nothing in this section shall be construed to alter reporting
18 requirements imposed by Sections 84200 and 84200.1.

19 (c) For purposes of special elections and elections in
20 odd-numbered years, all candidates, their controlled committees,
21 and committees primarily formed to support or oppose a candidate
22 or ballot measure shall be required to file yearend campaign
23 statements on a date and for a time period determined by the
24 Commission by regulation.

25 ~~SEC. 17.~~

26 *SEC. 16.* Section 84215 of the Government Code is amended
27 to read:

28 84215. All candidates and elected officers and their controlled
29 committees, except as provided in subdivisions (d) and (e), shall
30 file one copy of the campaign statements required by Section 84200
31 or 84200.1 with the elections official of the county in which the
32 candidate or elected official is domiciled, as defined in subdivision
33 (b) of Section 349 of the Elections Code. In addition, campaign
34 statements shall be filed at the following places:

35 (a) Statewide elected officers, including members of the State
36 Board of Equalization; Members of the Legislature; Supreme Court
37 justices, court of appeal justices, and superior court judges;
38 candidates for those offices and their controlled committees;
39 committees formed or existing primarily to support or oppose these
40 candidates, elected officers, justices and judges, or statewide

1 measures, or the qualification of state ballot measures; and all state
2 general purpose committees and filers not specified in subdivisions
3 (b) to (e), inclusive, shall file a campaign statement by online or
4 electronic means, as specified in Section 84605, and shall file the
5 original and one copy of the campaign statement in paper format
6 with the Secretary of State.

7 (b) Elected officers in jurisdictions other than legislative
8 districts, State Board of Equalization districts, or appellate court
9 districts that contain parts of two or more counties, candidates for
10 these offices, their controlled committees, and committees formed
11 or existing primarily to support or oppose candidates or local
12 measures to be voted upon in one of these jurisdictions shall file
13 the original and one copy with the elections official of the county
14 with the largest number of registered voters in the jurisdiction.

15 (c) County elected officers, candidates for these offices, their
16 controlled committees, committees formed or existing primarily
17 to support or oppose candidates or local measures to be voted upon
18 in any number of jurisdictions within one county, other than those
19 specified in subdivision (d), and county general purpose
20 committees shall file the original and one copy with the elections
21 official of the county.

22 (d) City elected officers, candidates for city office, their
23 controlled committees, committees formed or existing primarily
24 to support or oppose candidates or local measures to be voted upon
25 in one city, and city general purpose committees shall file the
26 original and one copy with the clerk of the city and are not required
27 to file with the local elections official of the county in which they
28 are domiciled.

29 (e) Elected members of the Board of Administration of the
30 Public Employees' Retirement System, elected members of the
31 Teachers' Retirement Board, candidates for these offices, their
32 controlled committees, and committees formed or existing
33 primarily to support or oppose these candidates or elected members
34 shall file the original and one copy with the Secretary of State, and
35 a copy shall be filed at the relevant board's office in Sacramento.
36 These elected officers, candidates, and committees need not file
37 with the elections official of the county in which they are
38 domiciled.

39 (f) Notwithstanding any other provision of this section, a
40 committee, candidate, or elected officer is not required to file more

1 than the original and one copy, or one copy, of a campaign
2 statement with any one county elections official or city clerk or
3 with the Secretary of State.

4 (g) If a committee is required to file campaign statements
5 required by Section 84200, 84200.1, or 84200.5 in places
6 designated in subdivisions (a) to (d), inclusive, it shall continue to
7 file these statements in those places, in addition to any other places
8 required by this title, until the end of the calendar year.

9 ~~SEC. 18.~~

10 *SEC. 17.* Section 84218 of the Government Code is amended
11 to read:

12 84218. (a) A slate mailer organization shall file monthly
13 campaign statements, as specified in Section 84200.1. A slate
14 mailer organization shall also file quarterly statements in an
15 odd-numbered year, at the same time and covering the same periods
16 identified in subdivision (a) of Section 84200.

17 (b) A slate mailer organization shall file two copies of its
18 campaign reports with the clerk of the county in which it is
19 domiciled. The campaign report shall be filed by online
20 transmission if the clerk of the county authorizes filing by online
21 transmission. A slate mailer organization is domiciled at the address
22 listed on its statement of organization unless it is domiciled outside
23 California, in which case its domicile shall be deemed to be Los
24 Angeles County for purposes of this section.

25 In addition, slate mailer organizations shall file campaign reports
26 as follows:

27 (1) A slate mailer organization which produces one or more
28 slate mailers supporting or opposing candidates or measures voted
29 on in a state election, or in more than one county, shall file
30 campaign reports in the same manner as state general purpose
31 committees pursuant to subdivision (a) of Section 84215.

32 (2) A slate mailer organization which produces one or more
33 slate mailers supporting or opposing candidates or measures voted
34 on in only one county, or in more than one jurisdiction within one
35 county, shall file campaign reports in the same manner as county
36 general purpose committees pursuant to subdivision (c) of Section
37 84215.

38 (3) A slate mailer organization which produces one or more
39 slate mailers supporting or opposing candidates or measures voted
40 on in only one city shall file campaign reports in the same manner

1 as city general purpose committees pursuant to subdivision (d) of
2 Section 84215.

3 (4) Notwithstanding the above, no slate mailer organization
4 shall be required to file more than the original and one copy, or
5 two copies, of a campaign report with any one county or city clerk
6 or with the Secretary of State.

7 ~~SEC. 19.~~

8 *SEC. 18.* Section 84252 of the Government Code is amended
9 to read:

10 84252. (a) A committee primarily formed to support or oppose
11 a LAFCO proposal shall file all statements required under this
12 chapter except that, in lieu of the statements required by Sections
13 84200, 84200.1, and 84202.3, the committee shall file monthly
14 campaign statements from the time circulation of a petition begins
15 until a measure is placed on the ballot or, if a measure is not placed
16 on the ballot, until the committee is terminated pursuant to Section
17 84214. The committee shall file an original and one copy of each
18 statement on the 15th day of each calendar month, covering the
19 prior calendar month, with the clerk of the county in which the
20 measure may be voted on. If the petition results in a measure that
21 is placed on the ballot, the committee thereafter shall file campaign
22 statements required by this chapter.

23 (b) In addition to any other statements required by this chapter,
24 a committee that makes independent expenditures in connection
25 with a LAFCO proposal shall file statements pursuant to Section
26 84203.5.

27 ~~SEC. 20.~~

28 *SEC. 19.* Section 84305.5 of the Government Code is amended
29 to read:

30 84305.5. (a) No slate mailer organization or committee
31 primarily formed to support or oppose one or more ballot measures
32 shall send a slate mailer unless:

33 (1) The name, street address, and city of the slate mailer
34 organization or committee primarily formed to support or oppose
35 one or more ballot measures are shown on the outside of each piece
36 of slate mail and on at least one of the inserts included with each
37 piece of slate mail in no less than 8-point roman type which shall
38 be in a color or print which contrasts with the background so as
39 to be easily legible. A post office box may be stated in lieu of a
40 street address if the street address of the slate mailer organization

1 or the committee primarily formed to support or oppose one or
2 more ballot measure is a matter of public record with the Secretary
3 of State's Political Reform Division.

4 (2) At the top or bottom of the front side or surface of at least
5 one insert or at the top or bottom of one side or surface of a
6 postcard or other self-mailer, there is a notice in at least 8-point
7 roman boldface type, which shall be in a color or print which
8 contrasts with the background so as to be easily legible, and in a
9 printed or drawn box and set apart from any other printed matter.
10 The notice shall consist of the following statement:

11
12
13 NOTICE TO VOTERS

14
15 THIS DOCUMENT WAS PREPARED BY (name of slate mailer
16 organization or committee primarily formed to support or oppose one or
17 more ballot measures), NOT AN OFFICIAL POLITICAL PARTY
18 ORGANIZATION. Appearance in this mailer does not necessarily imply
19 endorsement of others appearing in this mailer, nor does it imply
20 endorsement of, or opposition to, any issues set forth in this mailer. Each
21 item designated by an * has been paid for and authorized by the candidate
22 or ballot measure indicated. Each item designated by an @ has been paid
23 for by a person other than the candidate or ballot measure.
24
25

26 (3) The name, street address, city, and Internet Web site address,
27 if any, of the slate mailer organization or committee primarily
28 formed to support or oppose one or more ballot measures as
29 required by paragraph (1) and the notice required by paragraph
30 (2) may appear on the same side or surface of an insert.

31 (4) Each candidate and each ballot measure that has paid to
32 appear in the slate mailer is designated by an *. Each candidate
33 and ballot measure whose appearance has been paid for by a third
34 party is designated by an @. Any candidate or ballot measure that
35 has not paid to appear in the slate mailer, and whose appearance
36 has not been paid for by a third party, is not designated by an * or
37 @.

38 The * and @ required by this subdivision shall be of the same
39 type size, type style, color or contrast, and legibility as is used for
40 the name of the candidate or the ballot measure name or number

1 and position advocated to which the * or @ designation applies
2 except that in no case shall the * and @ be required to be larger
3 than 10-point boldface type. The designation shall immediately
4 follow the name of the candidate, or the name or number and
5 position advocated on the ballot measure where the designation
6 appears in the slate of candidates and measures. If there is no slate
7 listing, the designation shall appear at least once in at least 8-point
8 boldface type, immediately following the name of the candidate,
9 or the name or number and position advocated on the ballot
10 measure.

11 (5) The name of any candidate appearing in the slate mailer
12 who is a member of a political party differing from the political
13 party which the mailer appears by representation or indicia to
14 represent is accompanied, immediately below the name, by the
15 party designation of the candidate, in no less than 9-point roman
16 type which shall be in a color or print that contrasts with the
17 background so as to be easily legible. The designation shall not
18 be required in the case of candidates for nonpartisan office.

19 (6) If a slate mailer is produced entirely in a language other than
20 English, the notice to voters required pursuant to paragraph (2)
21 shall be produced in that language. If a substantial portion of a
22 slate mailer, as determined by the Commission by regulation, is
23 in a language other than English, the notice to voters required
24 pursuant to paragraph (2) shall be produced in both English and
25 the other language.

26 (b) For purposes of the designations required by paragraph (4)
27 of subdivision (a), the payment of any sum made reportable by
28 subdivision (c) of Section 84219 by or at the behest of a candidate
29 or committee, whose name or position appears in the mailer, to
30 the slate mailer organization or committee primarily formed to
31 support or oppose one or more ballot measures, shall constitute a
32 payment to appear, requiring the * designation. The payment shall
33 also be deemed to constitute authorization to appear in the mailer.

34 ~~SEC. 21. Section 84503 of the Government Code is amended~~
35 ~~to read:~~

36 ~~84503. (a) Any advertisement for or against any ballot measure~~
37 ~~shall include a disclosure statement identifying any person whose~~
38 ~~cumulative contributions are fifty thousand dollars (\$50,000) or~~
39 ~~more.~~

1 ~~(b) If there are more than four donors of fifty thousand dollars~~
2 ~~(\$50,000) or more, the committee is only required to disclose the~~
3 ~~four highest donors in descending order, beginning with the donor~~
4 ~~who has made the largest cumulative contributions. In the event~~
5 ~~that more than four donors meet this disclosure threshold at~~
6 ~~identical contribution levels, the four highest donors shall be~~
7 ~~selected according to chronological sequence.~~

8 ~~SEC. 22.~~

9 *SEC. 20.* Section 84503.5 is added to the Government Code,
10 to read:

11 84503.5. (a) A television or video broadcast advertisement
12 that supports or opposes a candidate or solicits contributions in
13 support of that purpose shall, if the advertisement is authorized by
14 a candidate or an agent of the candidate, include a statement in
15 which the candidate identifies himself or herself and states that
16 the candidate has approved the message. The candidate statement
17 shall be made using an unobscured, full-screen video of the
18 candidate making the statement, or by using an unobscured,
19 full-screen, and clearly identifiable photographic image of the
20 candidate that is displayed during an audio voiceover of the
21 candidate reading the statement.

22 (b) An audio broadcast advertisement that supports or opposes
23 a candidate or solicits contributions in support of that purpose
24 shall, if the advertisement is authorized by a candidate or an agent
25 of the candidate, include an audio statement in which the candidate
26 identifies himself or herself and states that the candidate has
27 approved the message.

28 ~~SEC. 23.~~ Section 84504 of the Government Code is amended
29 to read:

30 ~~84504. (a) (1) Any committee that supports or opposes one~~
31 ~~or more ballot measures shall name and identify itself using the~~
32 ~~names of its major donors of fifty thousand dollars (\$50,000) or~~
33 ~~more in any reference to the committee required by law, including,~~
34 ~~but not limited, to its statement of organization filed pursuant to~~
35 ~~Section 84101.~~

36 ~~(2) Any committee that is required to include the names of its~~
37 ~~major donors of fifty thousand dollars (\$50,000) or more in the~~
38 ~~name of the committee shall identify the top donors, not to exceed~~
39 ~~the four largest donors, in descending order starting with the donor~~
40 ~~who has made the largest cumulative contribution to the committee.~~

~~The identification of major donors of fifty thousand dollars (\$50,000) or more shall precede the identification of, or reference to, any other persons who support or oppose the ballot measure.~~

~~(b) If the major donors of fifty thousand dollars (\$50,000) or more share a common employer, the identity of the employer shall also be disclosed.~~

~~(c) Any committee which supports or opposes a ballot measure, shall print or broadcast its name as provided in this section as part of any advertisement or other paid public statement.~~

~~(d) If candidates or their controlled committees, as a group or individually, meet the contribution thresholds for a person, they shall be identified by the controlling candidate's name.~~

~~SEC. 24. Section 84506 of the Government Code is amended to read:~~

~~84506. (a) An advertisement supporting or opposing a candidate or ballot measure, that is paid for by an independent expenditure, shall include a disclosure statement that identifies both of the following:~~

~~(1) The name of the committee making the independent expenditure.~~

~~(2) The names of the persons from whom the committee making the independent expenditure has received its four highest cumulative contributions of fifty thousand dollars (\$50,000) or more during the 12-month period prior to the expenditure. If the committee can show, on the basis that contributions are spent in the order they are received, that contributions received from the four highest contributors have been used for expenditures unrelated to the candidate or ballot measure featured in the communication, the committee shall disclose the contributors making the next largest cumulative contributions of fifty thousand dollars (\$50,000) or more.~~

~~(b) If an acronym is used to identify any committee names required by this section, the names of any sponsoring organization of the committee shall be printed on print advertisements or spoken in broadcast advertisements.~~

~~SEC. 25. Section 84506.5 of the Government Code is amended to read:~~

~~84506.5. An advertisement supporting or opposing a candidate that is paid for by an independent expenditure must include a~~

1 statement that it was an independent expenditure not authorized
2 by a candidate or a committee controlled by a candidate.

3 ~~SEC. 26.~~ Section 84508 of the Government Code is amended
4 to read:

5 84508. ~~If disclosure of four major donors is required by~~
6 ~~Sections 84503 and 84506, the committee shall be required to~~
7 ~~disclose, in addition to the committee name, only its highest major~~
8 ~~contributor in any advertisement which is either of the following:~~

9 (a) ~~An electronic broadcast of 15 seconds or less.~~

10 (b) ~~A newspaper, magazine, or other public print media~~
11 ~~advertisement which is 20 square inches or less.~~

12 ~~SEC. 27.~~ Section 84509 of the Government Code is amended
13 to read:

14 84509. (a) ~~When a committee files an amended campaign~~
15 ~~statement pursuant to Section 81004.5, the committee shall change~~
16 ~~its advertisements to reflect the changed disclosure information.~~

17 (b) ~~If an amended campaign statement must be filed to reflect~~
18 ~~a change in the name of the committee to identify a new major~~
19 ~~donor of fifty thousand dollars (\$50,000) or more, then the~~
20 ~~disclosure on advertisements shall be amended as follows:~~

21 (1) ~~A television, radio, or other electronic media advertisement~~
22 ~~shall be amended to reflect the new committee name within three~~
23 ~~calendar days.~~

24 (2) ~~A print media advertisement, including billboards, shall be~~
25 ~~updated to reflect the new committee name prior to placing a new~~
26 ~~or modified order for additional printing of the advertisement.~~

27 ~~SEC. 28.~~

28 ~~SEC. 21.~~ Section 84510 of the Government Code is amended
29 to read:

30 84510. (a) In addition to the remedies provided for in Chapter
31 11 (commencing with Section 91000) of this title, any person who
32 violates this article is liable in a civil or administrative action
33 brought by the commission or any person for a fine up to six times
34 the cost of the advertisement, including placement costs.

35 (b) The remedies provided in subdivision (a) shall also apply
36 to any person who purposely causes any other person to violate
37 any provision of this article or who aids and abets any other person
38 in a violation.

39 (c) If a judgment is entered against the defendant or defendants
40 in an action brought under this section, the plaintiff shall receive

1 50 percent of the amount recovered. The remaining 50 percent
2 shall be deposited in the General Fund of the state. In an action
3 brought by a local civil prosecutor, 50 percent shall be deposited
4 in the account of the agency bringing the action and 50 percent
5 shall be paid to the General Fund of the state.

6 ~~SEC. 29.~~

7 *SEC. 22.* Section 85701 of the Government Code is amended
8 to read:

9 85701. Any candidate or committee that receives a contribution
10 in violation of Section 84301 shall pay to the General Fund of the
11 state the amount of the contribution and pay to the Political
12 Disclosure, Accountability, Transparency, and Access Fund a fine
13 in the amount of 15 percent of the contribution.

14 ~~SEC. 30.~~

15 *SEC. 23.* Section 85704 of the Government Code is amended
16 to read:

17 85704. A person may not make any contribution to a committee
18 on the condition or with the agreement that it will be contributed
19 to any particular candidate or ballot measure committee unless the
20 contribution is fully disclosed pursuant to Section 84302. A person
21 who makes a contribution to a committee that violates this section
22 shall pay to the General Fund of the state the amount of the
23 contribution and pay to the Political Disclosure, Accountability,
24 Transparency, and Access Fund a fine in the amount of 15 percent
25 of the contribution.

26 ~~SEC. 31.~~

27 *SEC. 24.* Section 90002 of the Government Code is amended
28 to read:

29 90002. (a) Audits and investigations of lobbying firms and
30 lobbyist employers shall be performed on a biennial basis and shall
31 cover reports filed during a period of two years.

32 (b) If a lobbying firm or lobbyist employer keeps a separate
33 account for all receipts and payments for which reporting is
34 required by this chapter, the requirement of an audit under
35 subdivision (a) of Section 90001 shall be satisfied by an audit of
36 that account and the supporting documentation required to be
37 maintained by Section 86110.

38 (c) No audit or investigation of any candidate, controlled
39 committee, or committee primarily supporting or opposing a
40 candidate or a measure in connection with a report or statement

1 required by Chapter 4 of this title, shall begin until after the last
2 date for filing the first report or statement following the general,
3 runoff or special election for the office for which the candidate
4 ran, or following the election at which the measure was adopted
5 or defeated, except that audits and investigations of statewide
6 candidates, their controlled committees, and committees primarily
7 supporting or opposing those statewide candidates who were
8 defeated in the primary election and who are not required to file
9 statements for the general election may begin after the last date
10 for filing the first report or statement following the primary
11 election. When the campaign statements or reports of a candidate,
12 controlled committee, or a committee primarily supporting or
13 opposing a candidate are audited and investigated pursuant to
14 Section 90001, the audit and investigation shall cover all campaign
15 statements and reports filed for the primary and general or special
16 or runoff elections and any previous campaign statement or report
17 filed pursuant to Section 84200, 84200.1, or 84200.5 since the last
18 election for that office, but shall exclude any statements or reports
19 which have previously been audited pursuant to Section 90001 or
20 90003. When the campaign statements or reports of a committee
21 primarily supporting or opposing a measure are audited and
22 investigated, the audit and investigation shall cover all campaign
23 statements and reports from the beginning date of the first
24 campaign statement filed by the committee in connection with the
25 measure. For all other committees, the audit and investigation shall
26 cover all campaign statements filed during the previous two
27 calendar years.

28 ~~SEC. 32.~~

29 *SEC. 25.* Section 90003 of the Government Code is amended
30 to read:

31 90003. (a) In addition to the audits and investigations required
32 by Section 90001, the Franchise Tax Board and the Commission
33 may make investigations and audits with respect to any reports or
34 statements required by Chapter 4 (commencing with Section
35 84100), Chapter 5 (commencing with Section 85100), or Chapter
36 6 (commencing with Section 86100).

37 (b) (1) Nothing in this chapter shall be construed to prohibit
38 the Commission from undertaking any audit authorized by this
39 section prior to the date of the election or prior to the date upon
40 which the report or statement is required to be filed. A candidate

1 or committee shall, during the audit, make all relevant records
2 available for immediate review by the Commission.

3 (2) A person who is subject to an audit authorized by this section
4 may contest the performance of the audit or an order issued by the
5 Commission as a result of an audit by seeking a writ of mandate.
6 Venue for the proceeding shall be exclusively in the County of
7 Sacramento. The action shall be given priority over all other civil
8 matters.

9 (3) In addition to any other remedies available to the
10 Commission, including injunctive relief pursuant to Section 91003,
11 the Commission may seek an injunction pursuant to Title 7
12 (commencing with Section 501) of Part 2 of the Code of Civil
13 Procedure to compel a person who is subject to an audit authorized
14 by this section to cooperate with the Commission in the
15 performance of the audit or to compel compliance with an order
16 of the Commission resulting from the audit. Notwithstanding any
17 other law, an appeal of an injunction issued in favor of the
18 Commission shall not result in a mandatory stay pending the
19 resolution of the appeal. A stay of an injunction pending resolution
20 of the appeal may be ordered at the discretion of the court issuing
21 the injunction.

22 ~~SEC. 33.~~

23 *SEC. 26.* Section 91013 of the Government Code is amended
24 to read:

25 91013. (a) If a person files an original statement or report after
26 the applicable deadline imposed by this title, he or she shall, in
27 addition to any other penalties or remedies established by this title,
28 be liable in the amount of thirty dollars (\$30) per day after the
29 deadline until the statement or report is filed, to the officer with
30 whom the statement or report is required to be filed. Liability need
31 not be enforced by the filing officer if, on an impartial basis, he
32 or she determines that the late filing was not willful and that
33 enforcement of the liability will not further the purposes of this
34 title, except that no liability shall be waived if a statement or report
35 is not filed within 30 days for a statement of economic interest,
36 other than a candidate's statement filed pursuant to Section 87201,
37 five days for a campaign statement required to be filed 12 days
38 before an election, and 10 days for all other statements or reports,
39 after the filing officer has sent specific written notice of the filing
40 requirement.

1 (b) If a person files a copy of a statement or report after the
2 applicable deadline imposed by this title, he or she shall, in addition
3 to any other penalties or remedies established by this title, be liable
4 in the amount of thirty dollars (\$30) per day, starting 10 days, or
5 five days in the case of a campaign statement required to be filed
6 12 days before an election, after the filing officer has sent specific
7 written notice of the filing requirement and until the statement or
8 report is filed.

9 (c) The filing officer shall deposit any funds received under this
10 section into the general fund of the jurisdiction of which he or she
11 is an officer. No liability under this section shall exceed 150 percent
12 of the cumulative amount stated in the late statement or report, or
13 one thousand dollars (\$1,000), whichever is greater.

14 ~~SEC. 34.~~

15 *SEC. 27.* No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution because
17 the only costs that may be incurred by a local agency or school
18 district will be incurred because this act creates a new crime or
19 infraction, eliminates a crime or infraction, or changes the penalty
20 for a crime or infraction, within the meaning of Section 17556 of
21 the Government Code, or changes the definition of a crime within
22 the meaning of Section 6 of Article XIII B of the California
23 Constitution.

24 ~~SEC. 35.~~

25 *SEC. 28.* The Legislature finds and declares that this bill
26 furthers the purposes of the Political Reform Act of 1974 within
27 the meaning of subdivision (a) of Section 81012 of the Government
28 Code.